



3015 (02-02-05)

ANNUAL REPORT

OF

Name: VILLAGE OF HATLEY WATER & SEWER UTILITY

Principal Office: P.O. BOX 99
HATLEY, WI 54440-0099

For the Year Ended: DECEMBER 31, 2004

WATER, ELECTRIC, OR JOINT UTILITY
TO
PUBLIC SERVICE COMMISSION OF WISCONSIN

P.O. Box 7854
Madison, WI 53707-7854
(608) 266-3766

This form is required under Wis. Stat. § 196.07. Failure to file the form by the statutory filing date can result in the imposition of a penalty under Wis. Stat. § 196.66. The penalty which can be imposed by this section of the statutes is a forfeiture of not less than \$25 nor more than \$5,000 for each violation. Each day subsequent to the filing date constitutes a separate and distinct violation. The filed form is available to the public and personally identifiable information may be used for purposes other than those related to public utility regulation.

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IDENTIFICATION AND OWNERSHIP

Exact Utility Name: VILLAGE OF HATLEY WATER & SEWER UTILITY

Utility Address: P.O. BOX 99
HATLEY, WI 54440-0099

When was utility organized? 3/25/1992

Report any change in name:

Effective Date:

Utility Web Site:

Utility employee in charge of correspondence concerning this report:

Name: JOAN WAWRZASZEK

Title: VILLAGE CLERK

Office Address:

P.O. BOX 99
HATLEY, WI 54440-0099

Telephone: (715) 446 - 2612

Fax Number:

E-mail Address:

Individual or firm, if other than utility employee, preparing this report:

Name:

Title:

Office Address: KRAUSE, HOWARD & COMPANY, S.C.

P.O. BOX 179
WAUSAU, WI 54402-0179

Telephone: (715) 845 - 7306 EXT

Fax Number: (715) 848 - 5302

E-mail Address: Phoppe@krausehoward.com

President, chairman, or head of utility commission/board or committee:

Name: DAVID NARLOCH

Title: PRESIDENT

Office Address:

P.O. BOX 99
HATLEY, WI 54440-0099

Telephone: (715) 446 - 2612

Fax Number:

E-mail Address:

Are records of utility audited by individuals or firms, other than utility employee? YES

IDENTIFICATION AND OWNERSHIP

Individual or firm, if other than utility employee, auditing utility records:

Name:**Title:**

Office Address: KRAUSE, HOWARD & COMPANY, S.C.
P.O. BOX 179
WAUSAU, WI 54402-0179

Telephone: (715) 845 - 7306**Fax Number:** (715) 848 - 5302**E-mail Address:** Phoppe@krausehoward.com**Date of most recent audit report:** 4/19/2004**Period covered by most recent audit:** 01/01/03 - 12/31/03

Names and titles of utility management including manager or superintendent:

Name: INFRASTRUCTURE ALTERNATIVES, INCORPORATED**Title:** OPERATOR**Office Address:**

960 WEST RIVER CENTER DRIVE, SUITE B
COMSTOCK PARK, MI 49321

Telephone: (715) 446 - 2612**Fax Number:****E-mail Address:**

Name of utility commission/committee: VILLAGE BOARD

Names of members of utility commission/committee:

WILLIAM KARSCHNEY, TRUSTEE
DAVID NARLOCH, PRESIDENT
STEPHEN PLUGER, TRUSTEE
RICHARD SCHABER, TREASURER
JOAN M. WAWRZASZEK, CLERK

Is sewer service rendered by the utility? YES

If "yes," has the municipality, by ordinance, combined the water and sewer service into a single public utility, as provided by Wis. Stat. § 66.0819 of the Wisconsin Statutes? YES

Date of Ordinance: 3/25/1992

Are any of the utility administrative or operational functions under contract or agreement with an outside provider for the year covered by this annual report and/or current year (i.e., operation of water or sewer treatment plant)? YES

Provide the following information regarding the provider(s) of contract services:

IDENTIFICATION AND OWNERSHIP

Firm Name: INFRASTRUCTURE ALTERNATIVES, INCORPORATED

960 WEST RIVER CENTER DRIVE, SUITE B

COMSTOCK PARK, MI 49321

Contact Person: TOM CROUSE

Title: OPERATOR

Telephone: (715) 446 - 2612

Fax Number:

E-mail Address:

Contract/Agreement beginning-ending dates: 4/1/2002 12/31/2004

Provide a brief description of the nature of Contract Operations being provided:

CERTIFIED MANAGER/OPERATOR OVERSIGHT.

INCOME STATEMENT

Particulars (a)	This Year (b)	Last Year (c)	
UTILITY OPERATING INCOME			
Operating Revenues (400)	64,030	69,338	1
Operating Expenses:			
Operation and Maintenance Expense (401)	37,448	34,930	2
Depreciation Expense (403)	387	(240)	3
Amortization Expense (404)	0	0	4
Taxes (408)	17,341	17,331	5
Total Operating Expenses	55,176	52,021	
Net Operating Income	8,854	17,317	
Income from Utility Plant Leased to Others (412-413)	0	0	6
Utility Operating Income	8,854	17,317	
OTHER INCOME			
Income from Merchandising, Jobbing and Contract Work (415-416)	0	0	7
Nonoperating Rental Income (418)	0	0	8
Interest and Dividend Income (419)	10,583	12,724	9
Miscellaneous Nonoperating Income (421)	(37,374)	(65,095)	10
Total Other Income	(26,791)	(52,371)	
Total Income	(17,937)	(35,054)	
MISCELLANEOUS INCOME DEDUCTIONS			
Miscellaneous Amortization (425)	(6,764)	0	11
Other Income Deductions (426)	16,645	16,925	12
Total Miscellaneous Income Deductions	9,881	16,925	
Income Before Interest Charges	(27,818)	(51,979)	
INTEREST CHARGES			
Interest on Long-Term Debt (427)	30,624	33,371	13
Amortization of Debt Discount and Expense (428)	0	0	14
Amortization of Premium on Debt--Cr. (429)	0	0	15
Interest on Debt to Municipality (430)	1,449	1,548	16
Other Interest Expense (431)	0	0	17
Interest Charged to Construction--Cr. (432)	0	0	18
Total Interest Charges	32,073	34,919	
Net Income	(59,891)	(86,898)	
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216)	3,351,008	(358,750)	19
Balance Transferred from Income (433)	(59,891)	(86,898)	20
Miscellaneous Credits to Surplus (434)	0	3,796,656	21
Miscellaneous Debits to Surplus--Debit (435)	0	0	22
Appropriations of Surplus--Debit (436)	0	0	23
Appropriations of Income to Municipal Funds--Debit (439)			24
Total Unappropriated Earned Surplus End of Year (216)	3,291,117	3,351,008	

INCOME STATEMENT ACCOUNT DETAILS

1. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.
2. Nonregulated sewer income should be reported as Miscellaneous Nonoperating Income, Account 421.

Description of Item (a)	Earnings (216.1) (b)	Contributions (216.2) (c)	Total This Year (d)	
UTILITY OPERATING INCOME				
Operating Revenues (400):				
Derived	64,030		64,030	1
Total (Acct. 400):	64,030	0	64,030	
Operation and Maintenance Expense (401):				
Derived	37,448		37,448	2
Total (Acct. 401):	37,448	0	37,448	
Depreciation Expense (403):				
Derived	387		387	3
Total (Acct. 403):	387	0	387	
Amortization Expense (404):				
Derived	0		0	4
Total (Acct. 404):	0	0	0	
Taxes (408):				
Derived	17,341		17,341	5
Total (Acct. 408):	17,341	0	17,341	
Revenues from Utility Plant Leased to Others (412):				
NONE	0		0	6
Total (Acct. 412):	0	0	0	
Expenses of Utility Plant Leased to Others (413):				
NONE	0		0	7
Total (Acct. 413):	0	0	0	
TOTAL UTILITY OPERATING INCOME:	8,854	0	8,854	
OTHER INCOME				
Income from Merchandising, Jobbing and Contract Work (415-416):				
Derived	0		0	8
Total (Acct. 415-416):	0	0	0	
Nonoperating Rental Income (418):				
NONE	0		0	9
Total (Acct. 418):	0	0	0	
Interest and Dividend Income (419):				
BANK ACCOUNTS AND SPECIAL ASSESSEMENTS	10,583	0	10,583	10
Total (Acct. 419):	10,583	0	10,583	
Miscellaneous Nonoperating Income (421):				
Contributed Plant - Water			0	11

INCOME STATEMENT ACCOUNT DETAILS

1. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.
2. Nonregulated sewer income should be reported as Miscellaneous Nonoperating Income, Account 421.

Description of Item (a)	Earnings (216.1) (b)	Contributions (216.2) (c)	Total This Year (d)
OTHER INCOME			
Miscellaneous Nonoperating Income (421):			
NON REGULATED SEWER	(37,374)	0	(37,374) 12
Total (Acct. 421):	(37,374)	0	(37,374)
TOTAL OTHER INCOME:	(26,791)	0	(26,791)

MISCELLANEOUS INCOME DEDUCTIONS

Miscellaneous Amortization (425):			
Regulatory Liability (253) Amortization	(6,764)		(6,764) 13
NONE	0	0	0 14
Total (Acct. 425):	(6,764)	0	(6,764)
Other Income Deductions (426):			
Depreciation Expense on Contributed Plant - Water		16,645	16,645 15
NONE	0	0	0 16
Total (Acct. 426):	0	16,645	16,645
TOTAL MISCELLANEOUS INCOME DEDUCTIONS:	(6,764)	16,645	9,881

INTEREST CHARGES

Interest on Long-Term Debt (427):			
Derived	30,624		30,624 17
Total (Acct. 427):	30,624	0	30,624
Amortization of Debt Discount and Expense (428):			
NONE	0		0 18
Total (Acct. 428):	0	0	0
Amortization of Premium on Debt--Cr. (429):			
NONE	0		0 19
Total (Acct. 429):	0	0	0
Interest on Debt to Municipality (430):			
Derived	1,449		1,449 20
Total (Acct. 430):	1,449	0	1,449
Other Interest Expense (431):			
Derived	0		0 21
Total (Acct. 431):	0	0	0

INCOME STATEMENT ACCOUNT DETAILS

1. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.
2. Nonregulated sewer income should be reported as Miscellaneous Nonoperating Income, Account 421.

Description of Item (a)	Earnings (216.1) (b)	Contributions (216.2) (c)	Total This Year (d)
INTEREST CHARGES			
Interest Charged to Construction--Cr. (432):			
NONE	0		0 22
Total (Acct. 432):	0	0	0
TOTAL INTEREST CHARGES:	32,073	0	32,073
NET INCOME:	(43,246)	(16,645)	(59,891)
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216):			
Derived	(428,723)	3,779,731	3,351,008 23
Total (Acct. 216):	(428,723)	3,779,731	3,351,008
Balance Transferred from Income (433):			
Derived	(43,246)	(16,645)	(59,891) 24
Total (Acct. 433):	(43,246)	(16,645)	(59,891)
Miscellaneous Credits to Surplus (434):			
NONE	0	0	0 25
Total (Acct. 434):	0	0	0
Miscellaneous Debits to Surplus--Debit (435):			
NONE	0	0	0 26
Total (Acct. 435)--Debit:	0	0	0
Appropriations of Surplus--Debit (436):			
Detail appropriations to (from) account 215			0 27
Total (Acct. 436)--Debit:	0	0	0
UNAPPROPRIATED EARNED SURPLUS (END OF YEAR):	(471,969)	3,763,086	3,291,117

INCOME FROM MERCHANDISING, JOBBING & CONTRACT WORK (ACCTS. 415-416)

Particulars (a)	Water (b)	Electric (c)	Sewer (d)	Gas (e)	Total (f)	
Revenues (account 415)					0	1
Costs and Expenses of Merchandising, Jobbing and Contract Work (416):						
Cost of merchandise sold					0	2
Payroll					0	3
Materials					0	4
Taxes					0	5
Other (list by major classes):					0	6
Total costs and expenses	0	0	0	0	0	
Net income (or loss)	0	0	0	0	0	

REVENUES SUBJECT TO WISCONSIN REMAINDER ASSESSMENT

1. Report data necessary to calculate revenue subject to Wisconsin remainder assessment pursuant to Wis. Stat. § 196.85(2) and Wis. Admin. Code Ch. PSC 5.
2. If the sewer department is not regulated by the PSC, do not report sewer department data in column (d).

Description (a)	Water Utility (b)	Electric Utility (c)	Sewer Utility (Regulated Only) (d)	Gas Utility (e)	Total (f)	
Total operating revenues	64,030	0	0	0	64,030	1
Less: interdepartmental sales	0		0	0	0	2
Less: interdepartmental rents					0	3
Less: return on net investment in meters charged to regulated sewer department. (Do not report if nonregulated sewer.)	0				0	4
Less: uncollectibles directly expensed as reported in water acct. 904 (690 class D), sewer acct. 843, and electric acct. 904 (590 class D) -or- Net write-offs when Accumulated Provision for Uncollectible Accounts (acct. 144) is maintained					0	5
Other Increases or (Decreases) to Operating Revenues - Specify:						
.					0	6
Revenues subject to Wisconsin Remainder Assessment	64,030	0	0	0	64,030	

BALANCE SHEET

Assets and Other Debits (a)	Balance End of Year (b)	Balance First of Year (c)	
UTILITY PLANT			
Utility Plant (100)	975,573	973,073	1
Less: Accumulated Provision for Depreciation and Amortization of Utility Plant (110)	179,719	297,183	2
Net Utility Plant	795,854	675,890	
OTHER PROPERTY AND INVESTMENTS			
Nonutility Property (121)	3,098,442	3,098,442	3
Less: Accumulated Provision for Depreciation and Amortization of Nonutility Property (122)	108,764	47,204	4
Net Nonutility Property	2,989,678	3,051,238	
Investment in Municipality (123)	0	0	5
Other Investments (124)	168,200	195,673	6
Special Funds (125)	93,846	113,421	7
Total Other Property and Investments	3,251,724	3,360,332	
CURRENT AND ACCRUED ASSETS			
Cash and Working Funds (131)	(1,496)	708	8
Temporary Cash Investments (132)			9
Notes Receivable (141)	0	0	10
Customer Accounts Receivable (142)	8,371	9,672	11
Other Accounts Receivable (143)	24,830	20,752	12
Accumulated Provision for Uncollectible Accounts- -Cr. (144)	0	0	13
Receivables from Municipality (145)	23,217	25,114	14
Materials and Supplies (150)	0	0	15
Prepayments (165)	2,572	2,683	16
Other Current and Accrued Assets (170)			17
Total Current and Accrued Assets	57,494	58,929	
DEFERRED DEBITS			
Unamortized Debt Discount and Expense (181)	0	0	18
Extraordinary Property Losses (182)	0	0	19
Other Deferred Debits (183)	0	0	20
Total Deferred Debits	0	0	
Total Assets and Other Debits	4,105,072	4,095,151	

BALANCE SHEET

Liabilities and Other Credits (a)	Balance End of Year (b)	Balance First of Year (c)	
PROPRIETARY CAPITAL			
Capital Paid in by Municipality (200)	0	0	21
Appropriated Earned Surplus (215)			22
Unappropriated Earned Surplus (216)	3,291,117	3,351,008	23
Total Proprietary Capital	3,291,117	3,351,008	
LONG-TERM DEBT			
Bonds (221)	572,605	628,135	24
Advances from Municipality (223)	32,202	32,202	25
Other long-Term Debt (224)	0	0	26
Total Long-Term Debt	604,807	660,337	
CURRENT AND ACCRUED LIABILITIES			
Notes Payable (231)	0	0	27
Accounts Payable (232)	11,125	8,812	28
Payables to Municipality (233)	40,951	45,232	29
Customer Deposits (235)			30
Taxes Accrued (236)	16,558	16,558	31
Interest Accrued (237)	11,990	13,204	32
Other Current and Accrued Liabilities (238)			33
Total Current and Accrued Liabilities	80,624	83,806	
DEFERRED CREDITS			
Unamortized Premium on Debt (251)	0	0	34
Customer Advances for Construction (252)			35
Other Deferred Credits (253)	128,524	0	36
Total Deferred Credits	128,524	0	
OPERATING RESERVES			
Miscellaneous Operating Reserves (265)			37
Total Operating Reserves	0	0	
Total Liabilities and Other Credits	4,105,072	4,095,151	

NET UTILITY PLANT

Report utility plant accounts and related accumulated provisions for depreciation and amortization after allocation of common plant accounts and related provisions for depreciation and amortization to utility departments as of December 31.

Particulars (a)	Water (b)	Sewer (c)	Gas (d)	Electric (e)	
First of Year:					
Total Utility Plant - First of Year	973,073	0	0	0	1
<i>(Should agree with Util. Plant Jan. 1 in Property Tax Equivalent Schedule)</i>					
Plant Accounts:					
Utility Plant in Service - Financed by Utility Operations or by the Municipality (100.1)	49,008	0	0	0	2
Utility Plant in Service - Contributed Plant (100.2)	926,565	0	0	0	3
Utility Plant Purchased or Sold (391)					4
Utility Plant in Process of Reclassification (392)					5
Utility Plant Leased to Others (393)					6
Property Held for Future Use (394)					7
Construction Work in Progress (395)					8
Utility Plant Acquisition Adjustments (396)					9
Other Utility Plant Adjustments (397)					10
Total Utility Plant	975,573	0	0	0	
Accumulated Provision for Depreciation and Amortization:					
Accumulated Provision for Depreciation of Utility Plant in Service - Financed by Utility Operations or by the Municipality (110.1)	10,861	0	0	0	11
Accumulated Provision for Depreciation of Utility Plant in Service - Contributed Plant (110.2)	168,858	0	0	0	12
Total Accumulated Provision	179,719	0	0	0	
Net Utility Plant	795,854	0	0	0	

**ACCUMULATED PROVISION FOR DEPRECIATION AND
AMORTIZATION OF UTILITY PLANT ON UTILITY PLANT
FINANCED BY UTILITY OPERATIONS OR BY THE MUNICIPALITY
(ACCT. 110.1)**

Depreciation Accruals (Credits) during the year (110.1):

1. Report the amounts charged in the operating sections to Depreciation Expense (403).
2. If sewer operations are nonregulated, do not report sewer depreciation on this schedule.
3. Report the Depreciation Expense on Meters charged to sewer operations as an addition in the Water column.
If the sewer is also a regulated utility by the PSC, report an equal amount as a reduction in the Sewer column.
4. Report all other accruals charged to other accounts, such as to clearing accounts.

Particulars (a)	Water (b)	(c)	(d)	(e)	Total (f)	
Balance first of year (110.1)	144,970				144,970	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (403)	387				387	4
Depreciation expense on meters						5
charged to sewer (see Note 3)	792				792	6
Accruals charged other						7
accounts (specify):						8
					0	9
Salvage					0	10
Other credits (specify):						11
					0	12
					0	13
					0	14
					0	15
Total credits	1,179	0	0	0	1,179	16
Debits during year						17
Book cost of plant retired	0				0	18
Cost of removal					0	19
Other debits (specify):						20
Est Reg Liab(253): Docket 05-US-105	135,288				135,288	21
					0	22
					0	23
					0	24
Total debits	135,288	0	0	0	135,288	25
Balance end of year (110.1)	10,861	0	0	0	10,861	26
Composite Depreciation Rate?	No					27
If yes, what is the rate?						28

ACCUMULATED PROVISION FOR DEPRECIATION AND AMORTIZATION OF UTILITY PLANT ON CONTRIBUTED PLANT IN SERVICE (ACCT. 110.2)

Depreciation Accruals (Credits) during the year (110.1):

1. Report the amounts charged in the operating sections to Depreciation Expense (403).
2. If sewer operations are nonregulated, do not report sewer depreciation on this schedule.
3. Report the Depreciation Expense on Meters charged to sewer operations as an addition in the Water column.
If the sewer is also a regulated utility by the PSC, report an equal amount as a reduction in the Sewer column.
4. Report all other accruals charged to other accounts, such as to clearing accounts.

Particulars (a)	Water (b)	(c)	(d)	(e)	Total (f)	
Balance first of year (110.1)	152,213				152,213	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (403)	16,645				16,645	4
Depreciation expense on meters						5
charged to sewer (see Note 3)					0	6
Accruals charged other						7
accounts (specify):						8
					0	9
Salvage					0	10
Other credits (specify):						11
					0	12
					0	13
					0	14
					0	15
Total credits	16,645	0	0	0	16,645	16
Debits during year						17
Book cost of plant retired	0				0	18
Cost of removal					0	19
Other debits (specify):						20
					0	21
					0	22
					0	23
					0	24
Total debits	0	0	0	0	0	25
Balance end of year (110.1)	168,858	0	0	0	168,858	26
Composite Depreciation Rate?	No					27
If yes, what is the rate?						28

NET NONUTILITY PROPERTY (ACCTS. 121 & 122)

1. Report separately each item of property with a book cost of \$5,000 or more included in account 121.
2. Other items may be grouped by classes of property.
3. Describe in detail any investment in sewer department carried in this account.

Description (a)	Balance First of Year (b)	Additions During Year (c)	Deductions During Year (d)	Balance End of Year (e)	
Nonregulated sewer plant	3,098,442			3,098,442	1
Other (specify):					
NONE	0			0	2
Total Nonutility Property (121)	3,098,442	0	0	3,098,442	
Less accum. prov. depr. & amort. (122)	47,204	61,560		108,764	3
Net Nonutility Property	3,051,238	(61,560)	0	2,989,678	

ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNTS-CR. (ACCT. 144)

Particulars (a)	Amount (b)	
Balance first of year	0	1
Additions:		
Provision for uncollectibles during year		2
Collection of accounts previously written off: Utility Customers		3
Collection of accounts previously written off: Others		4
Total Additions	<u>0</u>	
Deductions:		
Accounts written off during the year: Utility Customers		5
Accounts written off during the year: Others		6
Total accounts written off	<u>0</u>	
Balance end of year	<u><u>0</u></u>	

MATERIALS AND SUPPLIES

Account (a)	Generation (b)	Transmission (c)	Distribution (d)	Other (e)	Total End of Year (f)	Amount Prior Year (g)
Electric Utility						
Fuel for generation					0	0 1
Other					0	0 2
Total Electric Utility					0	0

Account	Total End of Year	Amount Prior Year
Electric utility total	0	0 1
Water utility		0 2
Sewer utility		0 3
Gas utility		0 4
Merchandise		0 5
Other materials & supplies		0 6
Total Materials and Supplies	0	0

**UNAMORTIZED DEBT DISCOUNT & EXPENSE & PREMIUM ON DEBT
(ACCTS. 181 AND 251)**

Report net discount and expense or premium separately for each security issue.
--

Debt Issue to Which Related (a)	Written Off During Year		Balance End of Year (d)	
	Amount (b)	Account Charged or Credited (c)		
Unamortized debt discount & expense (181)				1
Total			<u>0</u>	
Unamortized premium on debt (251)				2
Total			<u>0</u>	

CAPITAL PAID IN BY MUNICIPALITY (ACCT. 200)

Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D, sewer and privates) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.

Particulars (a)	Amount (b)	
Balance first of year	0	1
Changes during year (explain):		2
Balance end of year	0	

BONDS (ACCT. 221)

1. Report hereunder information required for each separate issue of bonds.
2. If there is more than one interest rate for an aggregate obligation issue, average the interest rates and report one rate.
3. Proceeds advanced by the municipality from sale of general obligation bonds, if repayable by utility, should be included in account 223.

Description of Issue (a)	Date of Issue (b)	Final Maturity Date (c)	Interest Rate (d)	Principal Amount End of Year (e)	
FHA SPECIAL ASSESSMENT BOND - WATER	08/31/1993	08/01/2032	5.25%	51,333	1
FHA SPECIAL ASSESSMENT BOND-SEWER	08/31/1993	08/01/2032	5.25%	117,472	2
FHA WATER SYSTEM-MTG REVENUE BOND	08/31/1993	08/01/2033	5.25%	67,600	3
FHA SEWER SYSTEM-MTG REVENUE BOND	08/31/1993	08/01/2033	5.25%	336,200	4
Total Bonds (Account 221):				572,605	

NOTES PAYABLE & MISCELLANEOUS LONG-TERM DEBT

1. Report each class of debt included in Accounts 223, 224 and 231.
2. Proceeds of general obligation issues, if subject to repayment by the utility, should be included in Account 223.
3. If there is more than one interest rate for an aggregate obligation issue, average the interest rates and report one rate.

Account and Description of Obligation (a and b)	Date of Issue (c)	Final Maturity Date (d)	Interest Rate (e)	Principal Amount End of Year (f)	
Advances (223)					
VILLAGE OF HATLEY	11/30/1993	01/01/2020	4.50%	32,202	1
Total for Account 223				32,202	

TAXES ACCRUED (ACCT. 236)

Particulars (a)	Amount (b)	
Balance first of year	16,558	1
Accruals:		
Charged water department expense	17,341	2
Charged electric department expense	144	3
Charged sewer department expense		4
Other (explain):		
NONE		5
Total Accruals and other credits	17,485	
Taxes paid during year:		
County, state and local taxes	16,558	6
Social Security taxes	846	7
PSC Remainder Assessment	81	8
Other (explain):		
NONE		9
Total payments and other debits	17,485	
Balance end of year	16,558	

INTEREST ACCRUED (ACCT. 237)

1. Report below interest accrued on each utility obligation.
2. Report Customer Deposits under Account 231.

Description of Issue (a)	Interest Accrued Balance First of Year (b)	Interest Accrued During Year (c)	Interest Paid During Year (d)	Interest Accrued Balance End of Year (e)	
Bonds (221)					
FHA - SEWER REVENUE BOND	7,371	17,791	17,892	7,270	1
FHA - SEWER SPECIAL ASSESS.	3,030	6,438	7,186	2,282	2
FHA - WATER REVENUE BOND	1,481	3,577	3,596	1,462	3
FHA - WATER SPECIAL ASSESS.	1,322	2,818	3,164	976	4
Subtotal	13,204	30,624	31,838	11,990	
Advances from Municipality (223)					
1994 ADVANCE	0	1,449	1,449	0	5
Subtotal	0	1,449	1,449	0	
Other long-Term Debt (224)					
NONE	0			0	6
Subtotal	0	0	0	0	
Notes Payable (231)					
NONE	0			0	7
Subtotal	0	0	0	0	
Total	13,204	32,073	33,287	11,990	

BALANCE SHEET END-OF-YEAR ACCOUNT BALANCES

Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.

Particulars (a)	Balance End of Year (b)	
Investment in Municipality (123):		
NONE		1
Total (Acct. 123):	0	
Other Investments (124):		
WATER - SPECIAL ASSESSMENTS	55,432	2
SEWER - SPECIAL ASSESSMENTS	112,768	3
Total (Acct. 124):	168,200	
Special Funds (125):		
DEBT SERVICES	93,846	4
Total (Acct. 125):	93,846	
Notes Receivable (141):		
NONE		5
Total (Acct. 141):	0	
Customer Accounts Receivable (142):		
Water	8,371	6
Electric		7
Sewer (Regulated)		8
Other (specify):		
NONE		9
Total (Acct. 142):	8,371	
Other Accounts Receivable (143):		
Sewer (Non-regulated)	24,830	10
Merchandising, jobbing and contract work		11
Other (specify):		
NONE		12
Total (Acct. 143):	24,830	
Receivables from Municipality (145):		
2004 TAX ROLL	23,217	13
Total (Acct. 145):	23,217	
Prepayments (165):		
INSURANCE	2,572	14
Total (Acct. 165):	2,572	
Extraordinary Property Losses (182):		
NONE		15
Total (Acct. 182):	0	

BALANCE SHEET END-OF-YEAR ACCOUNT BALANCES

Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.

Particulars (a)	Balance End of Year (b)	
Other Deferred Debits (183):		
NONE		16
Total (Acct. 183):	0	
Payables to Municipality (233):		
VARIOUS OPERATIONAL ITEMS PAID BY MUNICIPALITY	40,951	17
Total (Acct. 233):	40,951	
Other Deferred Credits (253):		
Regulatory Liability	128,524	18
NONE		19
Total (Acct. 253):	128,524	

RETURN ON RATE BASE COMPUTATION

1. The data used in calculating rate base are averages.
2. Calculate those averages by summing the first-of-year and the end-of-year figures for each account and then dividing the sum by two.
3. Note: Do not include contributed plant in service, property held for future use, or construction work in progress with utility plant in service. These are not rate base components.

Average Rate Base (a)	Water (b)	Electric (c)	Sewer (d)	Gas (e)	Total (f)	
Add Average:						
Utility Plant in Service (100.1)	47,758	0	0	0	47,758	1
Materials and Supplies	0	0	0	0	0	2
Other (specify):					0	3
Less Average:						
Reserve for Depreciation (110.1)	77,915	0	0	0	77,915	4
Customer Advances for Construction					0	5
Regulatory Liability	64,262	0	0	0	64,262	6
					0	7
Average Net Rate Base	(94,419)	0	0	0	(94,419)	
Net Operating Income	8,854	0	0	0	8,854	8
Net Operating Income as a percent of						
Average Net Rate Base	N/A	N/A	N/A	N/A	N/A	

IMPORTANT CHANGES DURING THE YEAR

Report changes of any of the following types:

NONE

FULL-TIME EMPLOYEES (FTE)

Use FTE numbers where FTE stands for full-time employees or full-time equivalency. FTE can be computed by using total hours worked/2080 hours for a fiscal year. Estimate to the nearest tenth. If an employee works part time for more than one industry then determine FTE based on estimate of hours worked per industry.

Example: An employee worked 35% of their time on electric jobs, 30% on water jobs, 20% on sewer jobs and 15% on municipal nonutility jobs. The FTE by industry would be .4 for electric, .3 for water and .2 for sewer.

Industry (a)	FTE (b)	
Water	0.5	1
Electric		2
Gas		3
Sewer		4

**REGULATORY LIABILITY - PRE-2003 HISTORICAL
ACCUMULATED DEPRECIATION ON CONTRIBUTED UTILITY
PLANT (253)**

Particulars (a)	Water (b)	Electric (c)	Sewer (d)	Gas (e)	Total (f)	
Balance First of Year					0	1
Add credits during year:						
Establish Regulatory Liability 1/1/04	135,288	0	0	0	135,288	2
Other (specify): NONE					0	3
Deduct charges:						
Miscellaneous Amortization (425)	6,764				6,764	4
Other (specify): NONE					0	5
Balance End of Year	128,524	0	0	0	128,524	

FINANCIAL SECTION FOOTNOTES

Income Statement (Page F-01)

General footnotes

INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

Village Board
Village of Hatley Water &
Sewer Utility
Hatley, Wisconsin

We have compiled the Municipal Utility Annual Report - Class D of the Village of Hatley Water & Sewer Utility as of December 31, 2004 and for the year then ended included in the accompanying prescribed form in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

Our compilation was limited to presenting in the form prescribed by the Public Service Commission of Wisconsin information that is the representation of management. We have not audited or reviewed the financial statements referred to above and, accordingly, do not express an opinion or any other form of assurance on them.

These financial statements are presented in accordance with the requirements of the Public Service Commission of Wisconsin, which differ from accounting principles generally accepted in the United States of America. Accordingly, these financial statements are not designed for those who are not informed about such differences.

KRAUSE, HOWARD & COMPANY, S.C.
Certified Public Accountants
March 30, 2005

Balance Sheet End-of-Year Account Balances (Page F-18)

Please explain amounts in Accounts 143, 145 and/or 233 in excess of \$2,000, providing a short list or detail using other than terms such as "other revenues" "general" "miscellaneous" or repeating the account title.

Done.

WATER OPERATING REVENUES & EXPENSES

Particulars (a)	This Year (b)	Last Year (c)	
Operating Revenues			
Sales of Water			
Sales of Water (460-467)	60,105	61,125	1
Total Sales of Water	60,105	61,125	
Other Operating Revenues			
Forfeited Discounts (470)	436	420	2
Other Water Revenues (474)	3,489	7,793	3
Total Other Operating Revenues	3,925	8,213	
Total Operating Revenues	64,030	69,338	
Operation and Maintenance Expenses			
Plant Operation and Maintenance Expenses (600-660)	20,563	17,891	4
General Operating Expenses (680-690)	16,885	17,039	5
Total Operation and Maintenance Expenses	37,448	34,930	
Other Operating Expenses			
Depreciation Expense (403)	387	(240)	6
Amortization Expense (404)		0	7
Taxes (408)	17,341	17,331	8
Total Other Operating Expenses	17,728	17,091	
Total Operating Expenses	55,176	52,021	
NET OPERATING INCOME	8,854	17,317	

WATER OPERATING REVENUES - SALES OF WATER

1. Where customer meters record cubic feet, multiply by 7.48 to obtain number of gallons.
2. Report estimated gallons for unmetered sales.
3. Sales to multiple dwelling buildings through a single meter serving 3 or more family units should be classified commercial.
4. Account 460, Unmetered Sales to General Customers - Gallons of Water Sold should not include in any way quantity of water, i.e. metered, or measured by tank or pool volume. The quantity should be estimated based on size of pipe, flow, foot of frontage, etc. Bulk water sales should be Account 460 if the quantity is estimated and should be Account 461 if metered or measured by volume. Water related to construction should be a measured sale of water (either Account 461 or Account 464).
5. Other accounts: see application Help files for details.

Particulars (a)	Average No. Customers (b)	Thousands of Gallons of Water Sold (c)	Amounts (d)	
Operating Revenues				
Sales of Water				
Unmetered Sales to General Customers (460)				
Residential				1
Commercial				2
Industrial				3
Total Unmetered Sales to General Customers (460)	0	0	0	
Metered Sales to General Customers (461)				
Residential	162	7,309	29,129	4
Commercial	12	1,101	3,475	5
Industrial	1	148	452	6
Total Metered Sales to General Customers (461)	175	8,558	33,056	
Private Fire Protection Service (462)				7
Public Fire Protection Service (463)	1		25,952	8
Other Sales to Public Authorities (464)	6	225	1,097	9
Sales to Irrigation Customers (465)				10
Sales for Resale (466)		0	0	11
Interdepartmental Sales (467)				12
Total Sales of Water	182	8,783	60,105	

SALES FOR RESALE (ACCT. 466)

Use a separate line for each delivery point.

Customer Name (a)	Point of Delivery (b)	Thousands of Gallons Sold (c)	Revenues (d)
------------------------------------	--	--	-------------------------------

NONE

OTHER OPERATING REVENUES (WATER)

1. Report revenues relating to each account and fully describe each item using other than the account title.
2. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D and privates) and all other lesser amounts grouped as Miscellaneous.
3. For a combined utility which also provides sewer service that is based upon water readings, report the return on net investment in meters charged to sewer department in Other Water Revenues (474).

Particulars (a)	Amount (b)	
Public Fire Protection Service (463):		
Amount billed (usually per rate schedule F-1 or Fd-1)	25,952	1
Wholesale fire protection billed		2
Amount billed for fighting fires outside utility's service areas (usually per rate schedule F-2 or BW-1)		3
Other (specify): NONE		4
Total Public Fire Protection Service (463)	25,952	
Forfeited Discounts (470):		
Customer late payment charges	436	5
Other (specify): NONE		6
Total Forfeited Discounts (470)	436	
Other Water Revenues (474):		
Return on net investment in meters charged to sewer department	759	7
Other (specify): STANDBY, MANDATORY NON-COMPLIANCE AND CONNECT FEES	2,730	8
Total Other Water Revenues (474)	3,489	

WATER OPERATION & MAINTENANCE EXPENSES

Each expense account that has an increase or a decrease when compared to the previous year of greater than 30 percent, but not less than \$2,000, shall be fully explained in the schedule footnotes.

Particulars (a)	This Year (b)	Last Year (c)	
PLANT OPERATION AND MAINTENANCE EXPENSES			
Salaries and Wages (600)	8,102	8,004	1
Purchased Water (610)		0	2
Fuel or Power Purchased for Pumping (620)	2,680	2,677	3
Chemicals (630)	108	166	4
Supplies and Expenses (640)	7,740	4,967	5
Repairs of Water Plant (650)		0	6
Transportation Expenses (660)	1,933	2,077	7
Total Plant Operation and Maintenance Expenses	20,563	17,891	
GENERAL OPERATING EXPENSES			
Administrative and General Salaries (680)	2,955	2,942	8
Office Supplies and Expenses (681)	301	221	9
Outside Services Employed (682)	12,231	12,582	10
Insurance Expense (684)	1,398	1,294	11
Employees Pensions and Benefits (686)		0	12
Regulatory Commission Expenses (688)		0	13
Miscellaneous General Expenses (689)		0	14
Uncollectible Accounts (690)		0	15
Total General Operating Expenses	16,885	17,039	
Total Operation and Maintenance Expenses	37,448	34,930	

TAXES (ACCT. 408 - WATER)

When allocation of taxes is made between departments, explain method used.
--

Description of Tax (a)	Method Used to Allocate Between Departments (b)	This Year (c)	Last Year (d)	
Property Tax Equivalent		16,558	16,558	1
Less: Local and School Tax Equivalent on Meters Charged to Sewer Department		144	140	2
Net property tax equivalent		16,414	16,418	
Social Security		846	837	3
PSC Remainder Assessment		81	76	4
Other (specify): UNEMPLOYMENT			0	5
Total tax expense		17,341	17,331	

PROPERTY TAX EQUIVALENT (WATER)

1. No property tax equivalent shall be determined for sewer utilities or town sanitary district water utilities.
2. Tax rates are those issued in November (usually) of the year being reported and are available from the municipal treasurer. Report the tax rates in mills to six (6) decimal places.
3. The assessment ratio is available from the municipal treasurer. Report the ratio as a decimal to six (6) places.
4. The utility plant balance first of year should include the gross book values of plant in service (total of utility financed and contributed plant), property held for future use and construction work in progress.
5. An "other tax rate" is included in the "Net Local and School Tax Rate Calculation" to the extent that it is local. An example is a local library tax. Fully explain the rate in the Property Tax Equivalent schedule footnotes.
6. The Property Tax Equivalent to be reported for the year is determined pursuant to Wis. Stat § 66.0811(2). Report the higher of the current year calculation or the tax equivalent reported in the 1994 PSC annual report, unless, the municipality has authorized a lower amount, then that amount is reported as the property tax equivalent.
7. If the municipality has authorized a lower amount, the authorization description and date of the authorization must be reported in the Property Tax Equivalent schedule footnotes.

Particulars (a)	Units (b)	Total (c)	County A (d)	County B (e)	County C (f)	County D (g)	
County name			Marathon				1
SUMMARY OF TAX RATES							2
State tax rate	mills		0.229726				3
County tax rate	mills		6.679900				4
Local tax rate	mills		1.199742				5
School tax rate	mills		10.110600				6
Voc. school tax rate	mills		2.224423				7
Other tax rate - Local	mills		0.000000				8
Other tax rate - Non-Local	mills		0.000000				9
Total tax rate	mills		20.444391				10
Less: state credit	mills		1.433329				11
Net tax rate	mills		19.011062				12
PROPERTY TAX EQUIVALENT CALCULATION							13
Local Tax Rate	mills		1.199742				14
Combined School Tax Rate	mills		12.335023				15
Other Tax Rate - Local	mills		0.000000				16
Total Local & School Tax	mills		13.534765				17
Total Tax Rate	mills		20.444391				18
Ratio of Local and School Tax to Total	dec.		0.662028				19
Total tax net of state credit	mills		19.011062				20
Net Local and School Tax Rate	mills		12.585861				21
Utility Plant, Jan. 1	\$	973,073	973,073				22
Materials & Supplies	\$	0	0				23
Subtotal	\$	973,073	973,073				24
Less: Plant Outside Limits	\$	0	0				25
Taxable Assets	\$	973,073	973,073				26
Assessment Ratio	dec.		0.870597				27
Assessed Value	\$	847,154	847,154				28
Net Local & School Rate	mills		12.585861				29
Tax Equiv. Computed for Current Year	\$	10,662	10,662				30
Tax Equivalent per 1994 PSC Report	\$	16,558					31
Any lower tax equivalent as authorized by municipality (see note 6)	\$						32
Tax equiv. for current year (see note 6)	\$	16,558					34

WATER UTILITY PLANT IN SERVICE

--Plant Financed by Utility or Municipality--

1. All adjustments, corrections and reclassifications (including to/from plant financed by contributions) should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$10,000. If applicable, provide construction authorization.
4. Use only the account titles listed. If the utility has subaccounts other than account 372.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
INTANGIBLE PLANT			
Organization (301)	9,906		1
Franchises and Consents (302)	0		2
Miscellaneous Intangible Plant (303)	0		3
Total Intangible Plant	9,906	0	
SOURCE OF SUPPLY PLANT			
Land and Land Rights (310)	0		4
Structures and Improvements (311)	5,436		5
Collecting and Impounding Reservoirs (312)	0		6
Lake, River and Other Intakes (313)	0		7
Wells and Springs (314)	2,211		8
Infiltration Galleries and Tunnels (315)	0		9
Supply Mains (316)	0		10
Other Water Source Plant (317)	0		11
Total Source of Supply Plant	7,647	0	
PUMPING PLANT			
Land and Land Rights (320)	0		12
Structures and Improvements (321)	0		13
Boiler Plant Equipment (322)	0		14
Other Power Production Equipment (323)	0		15
Steam Pumping Equipment (324)	0		16
Electric Pumping Equipment (325)	0		17
Diesel Pumping Equipment (326)	0		18
Hydraulic Pumping Equipment (327)	0		19
Other Pumping Equipment (328)	0		20
Total Pumping Plant	0	0	
WATER TREATMENT PLANT			
Land and Land Rights (330)	0		21
Structures and Improvements (331)	0		22
Water Treatment Equipment (332)	0		23
Total Water Treatment Plant	0	0	

WATER UTILITY PLANT IN SERVICE (cont.)
--Plant Financed by Utility or Municipality--

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)	
INTANGIBLE PLANT				
Organization (301)			9,906	1
Franchises and Consents (302)			0	2
Miscellaneous Intangible Plant (303)			0	3
Total Intangible Plant	0	0	9,906	
SOURCE OF SUPPLY PLANT				
Land and Land Rights (310)			0	4
Structures and Improvements (311)			5,436	5
Collecting and Impounding Reservoirs (312)			0	6
Lake, River and Other Intakes (313)			0	7
Wells and Springs (314)			2,211	8
Infiltration Galleries and Tunnels (315)			0	9
Supply Mains (316)			0	10
Other Water Source Plant (317)			0	11
Total Source of Supply Plant	0	0	7,647	
PUMPING PLANT				
Land and Land Rights (320)			0	12
Structures and Improvements (321)			0	13
Boiler Plant Equipment (322)			0	14
Other Power Production Equipment (323)			0	15
Steam Pumping Equipment (324)			0	16
Electric Pumping Equipment (325)			0	17
Diesel Pumping Equipment (326)			0	18
Hydraulic Pumping Equipment (327)			0	19
Other Pumping Equipment (328)			0	20
Total Pumping Plant	0	0	0	
WATER TREATMENT PLANT				
Land and Land Rights (330)			0	21
Structures and Improvements (331)			0	22
Water Treatment Equipment (332)			0	23
Total Water Treatment Plant	0	0	0	

WATER UTILITY PLANT IN SERVICE

--Plant Financed by Utility or Municipality--

1. All adjustments, corrections and reclassifications (including to/from plant financed by contributions) should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$10,000. If applicable, provide construction authorization.
4. Use only the account titles listed. If the utility has subaccounts other than account 372.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)	7,770		24
Structures and Improvements (341)	0		25
Distribution Reservoirs and Standpipes (342)	7,394		26
Transmission and Distribution Mains (343)	0		27
Fire Mains (344)	0		28
Services (345)	0		29
Meters (346)	5,214		30
Hydrants (348)	2,891		31
Other Transmission and Distribution Plant (349)	0		32
Total Transmission and Distribution Plant	23,269	0	
GENERAL PLANT			
Land and Land Rights (370)	0		33
Structures and Improvements (371)	0		34
Office Furniture and Equipment (372)	0		35
Computer Equipment (372.1)	3,413	2,500	36
Transportation Equipment (373)	0		37
Other General Equipment (379)	2,273		38
Other Tangible Property (390)	0		39
Total General Plant	5,686	2,500	
Total utility plant in service directly assignable	46,508	2,500	
Common Utility Plant Allocated to Water Department	0		40
Total utility plant in service	46,508	2,500	

WATER UTILITY PLANT IN SERVICE (cont.)
--Plant Financed by Utility or Municipality--

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)			7,770 24
Structures and Improvements (341)			0 25
Distribution Reservoirs and Standpipes (342)			7,394 26
Transmission and Distribution Mains (343)			0 27
Fire Mains (344)			0 28
Services (345)			0 29
Meters (346)			5,214 30
Hydrants (348)			2,891 31
Other Transmission and Distribution Plant (349)			0 32
Total Transmission and Distribution Plant	0	0	23,269
GENERAL PLANT			
Land and Land Rights (370)			0 33
Structures and Improvements (371)			0 34
Office Furniture and Equipment (372)			0 35
Computer Equipment (372.1)			5,913 36
Transportation Equipment (373)			0 37
Other General Equipment (379)			2,273 38
Other Tangible Property (390)			0 39
Total General Plant	0	0	8,186
Total utility plant in service directly assignable	0	0	49,008
Common Utility Plant Allocated to Water Department			0 40
Total utility plant in service	0	0	49,008

WATER UTILITY PLANT IN SERVICE

--Plant Financed by Contributions--

1. All adjustments, corrections and reclassifications (including to/from plant financed by contributions) should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$10,000. If applicable, provide construction authorization.
4. Use only the account titles listed. If the utility has subaccounts other than account 372.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
INTANGIBLE PLANT			
Organization (301)	0		1
Franchises and Consents (302)	0		2
Miscellaneous Intangible Plant (303)	0		3
Total Intangible Plant	0	0	
SOURCE OF SUPPLY PLANT			
Land and Land Rights (310)	0		4
Structures and Improvements (311)	73,705		5
Collecting and Impounding Reservoirs (312)	0		6
Lake, River and Other Intakes (313)	0		7
Wells and Springs (314)	73,705		8
Infiltration Galleries and Tunnels (315)	0		9
Supply Mains (316)	0		10
Other Water Source Plant (317)	0		11
Total Source of Supply Plant	147,410	0	
PUMPING PLANT			
Land and Land Rights (320)	0		12
Structures and Improvements (321)	0		13
Boiler Plant Equipment (322)	0		14
Other Power Production Equipment (323)	0		15
Steam Pumping Equipment (324)	0		16
Electric Pumping Equipment (325)	14,753		17
Diesel Pumping Equipment (326)	0		18
Hydraulic Pumping Equipment (327)	0		19
Other Pumping Equipment (328)	0		20
Total Pumping Plant	14,753	0	
WATER TREATMENT PLANT			
Land and Land Rights (330)	0		21
Structures and Improvements (331)	0		22
Water Treatment Equipment (332)	0		23
Total Water Treatment Plant	0	0	

WATER UTILITY PLANT IN SERVICE (cont.)
--Plant Financed by Contributions--

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)	
INTANGIBLE PLANT				
Organization (301)			0	1
Franchises and Consents (302)			0	2
Miscellaneous Intangible Plant (303)			0	3
Total Intangible Plant	0	0	0	
SOURCE OF SUPPLY PLANT				
Land and Land Rights (310)			0	4
Structures and Improvements (311)			73,705	5
Collecting and Impounding Reservoirs (312)			0	6
Lake, River and Other Intakes (313)			0	7
Wells and Springs (314)			73,705	8
Infiltration Galleries and Tunnels (315)			0	9
Supply Mains (316)			0	10
Other Water Source Plant (317)			0	11
Total Source of Supply Plant	0	0	147,410	
PUMPING PLANT				
Land and Land Rights (320)			0	12
Structures and Improvements (321)			0	13
Boiler Plant Equipment (322)			0	14
Other Power Production Equipment (323)			0	15
Steam Pumping Equipment (324)			0	16
Electric Pumping Equipment (325)			14,753	17
Diesel Pumping Equipment (326)			0	18
Hydraulic Pumping Equipment (327)			0	19
Other Pumping Equipment (328)			0	20
Total Pumping Plant	0	0	14,753	
WATER TREATMENT PLANT				
Land and Land Rights (330)			0	21
Structures and Improvements (331)			0	22
Water Treatment Equipment (332)			0	23
Total Water Treatment Plant	0	0	0	

WATER UTILITY PLANT IN SERVICE

--Plant Financed by Contributions--

1. All adjustments, corrections and reclassifications (including to/from plant financed by contributions) should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$10,000. If applicable, provide construction authorization.
4. Use only the account titles listed. If the utility has subaccounts other than account 372.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)	0		24
Structures and Improvements (341)	0		25
Distribution Reservoirs and Standpipes (342)	147,411		26
Transmission and Distribution Mains (343)	460,977		27
Fire Mains (344)	0		28
Services (345)	74,150		29
Meters (346)	21,185		30
Hydrants (348)	60,679		31
Other Transmission and Distribution Plant (349)	0		32
Total Transmission and Distribution Plant	764,402	0	
GENERAL PLANT			
Land and Land Rights (370)	0		33
Structures and Improvements (371)	0		34
Office Furniture and Equipment (372)	0		35
Computer Equipment (372.1)	0		36
Transportation Equipment (373)	0		37
Other General Equipment (379)	0		38
Other Tangible Property (390)	0		39
Total General Plant	0	0	
Total utility plant in service directly assignable	926,565	0	
Common Utility Plant Allocated to Water Department	0		40
Total utility plant in service	926,565	0	

WATER UTILITY PLANT IN SERVICE (cont.)
--Plant Financed by Contributions--

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)			0 24
Structures and Improvements (341)			0 25
Distribution Reservoirs and Standpipes (342)			147,411 26
Transmission and Distribution Mains (343)			460,977 27
Fire Mains (344)			0 28
Services (345)			74,150 29
Meters (346)			21,185 30
Hydrants (348)			60,679 31
Other Transmission and Distribution Plant (349)			0 32
Total Transmission and Distribution Plant	0	0	764,402
GENERAL PLANT			
Land and Land Rights (370)			0 33
Structures and Improvements (371)			0 34
Office Furniture and Equipment (372)			0 35
Computer Equipment (372.1)			0 36
Transportation Equipment (373)			0 37
Other General Equipment (379)			0 38
Other Tangible Property (390)			0 39
Total General Plant	0	0	0
Total utility plant in service directly assignable	0	0	926,565
Common Utility Plant Allocated to Water Department			0 40
Total utility plant in service	0	0	926,565

SOURCE OF SUPPLY, PUMPING AND PURCHASED WATER STATISTICS

Expanded definitions of the three types of accounted-for water reported on this schedule are included in the schedule Help and in the Reference Manual Schedule Reference Sheet.

Month (a)	Sources of Water Supply			Total Gallons All Methods (000's) (e)	
	Purchased Water Gallons (000's) (b)	Surface Water Gallons (000's) (c)	Ground Water Gallons (000's) (d)		
January			906	906	1
February			856	856	2
March			935	935	3
April			913	913	4
May			963	963	5
June			949	949	6
July			1,027	1,027	7
August			962	962	8
September			918	918	9
October			922	922	10
November			847	847	11
December			900	900	12
Total annual pumpage	0	0	11,098	11,098	
Less: Water sold				8,783	13
Volume pumped but not sold				2,315	14
Volume sold as a percent of volume pumped				79%	15
Volume used for water production, water quality and system maintenance					16
Volume related to equipment/system malfunction					17
Non-utility volume NOT included in water sales					18
Total volume not sold but accounted for				0	19
Volume pumped but unaccounted for				2,315	20
Percent of water lost				21%	21
If more than 25%, indicate causes and state what action has been taken to reduce water loss:					22
Maximum gallons pumped by all methods in any one day during reporting year (000 gal.)				55	23
Date of maximum: 4/16/2004					24
Cause of maximum:					25
HYDRANT FLUSHING					
Minimum gallons pumped by all methods in any one day during reporting year (000 gal.)				17	26
Date of minimum: 3/31/2004					27
Total KWH used for pumping for the year				17,300	28
If water is purchased: Vendor Name:					29
Point of Delivery:					30

SOURCES OF WATER SUPPLY - GROUND WATERS

Location (a)	Identification Number (b)	Depth in feet (c)	Well Diameter in inches (d)	Yield Per Day in gallons (e)	Currently In Service? (f)	
CTY "Y" & LEPAK STREET	92-0750	50	20	1	Yes	1

SOURCES OF WATER SUPPLY - SURFACE WATERS

Location (a)	Intakes			
	Identification Number (b)	Distance From Shore in feet (c)	Depth Below Surface in feet (d)	Diameter in inches (e)
NONE				

1

PUMPING & POWER EQUIPMENT

1. Use a separate column for each pump.
2. Indicate purpose of pump by: P for primary (from source to reservoir, treatment or distribution system), B for booster (from reservoir or treatment to distribution system, or within distribution system), or S for standby pumping equipment.
3. Indicate destination (of water pumped) by: R for reservoir, T for treatment or D for distribution system.

Particulars (a)	Unit A (b)	Unit B (c)	Unit C (d)	
Identification	#1			1
Location	LEPAK			2
Purpose	P			3
Destination	D			4
Pump Manufacturer	LAYNE			5
Year Installed	1993			6
Type	VERTICAL TURBINE			7
Actual Capacity (gpm)	300			8
Pump Motor or Standby Engine Mfr	G.E.			9
Year Installed	1993			10
Type	ELECTRIC			11
Horsepower	25			12

Particulars (a)	Unit D (b)	Unit E (c)	Unit F (d)	
Identification				14
Location				15
Purpose				16
Destination				17
Pump Manufacturer				18
Year Installed				19
Type				20
Actual Capacity (gpm)				21
Pump Motor or Standby Engine Mfr				22
Year Installed				23
Type				24
Horsepower				25

RESERVOIRS, STANDPIPES & WATER TREATMENT

1. Identify as R (reservoir), S (standpipe) & ET (elevated tank).
2. Use a separate column for each using additional copies if necessary.
3. Enter elevation difference between highest water level in S or ET, (or R only on an elevated site) and the water main where the connection to the storage begins branching into the distribution system.

Particulars (a)	Unit A (b)	Unit B (c)	Unit C (d)
Identification number or name	#1		1
RESERVOIRS, STANDPIPES OR ELEVATED TANKS			2
			3
Type: R (reservoir), S (standpipe) or ET (elevated tank)	ET		4
			5
Year constructed	1993		6
			7
Primary material (earthen, steel, concrete, other)	STEEL		8
			9
Elevation difference in feet (See Headnote 3.)	155		10
			11
Total capacity in gallons (actual)	65,000		12
WATER TREATMENT PLANT			13
Disinfection, type of equipment (gas, liquid, powder, other)			14
			15
Points of application (wellhouse, central facilities, booster station, other)			16
			17
Filters, type (gravity, pressure, other, none)			18
			19
Rated capacity of filter plant (m.g.d.) (note: 1,200,000 gal/day = 1.2 m.g.d.)			20
			21
			22
Is a corrosion control chemical used (yes, no)?			23
			24
Is water fluoridated (yes, no)?			25

WATER MAINS

1. Report mains separately by pipe material, function, diameter and either within or outside the municipal boundaries.
2. Identify pipe material as: L (Lead), M (Metal for all other metal excluding lead), A (Asbestos-cement), or P (Plastic for plastic and all other non-metal excluding asbestos-cement).
3. Identify function as: T (Transmission), D (Distribution) or S (Supply).
4. Explain all reported adjustments as a schedule footnote.
5. For main additions reported in column (e), as a schedule footnote:
 - a. Explain how the additions were financed.
 - b. If assessed against property owners, explain the basis of the assessments.
 - c. If the assessments are deferred, explain.

			Number of Feet					
Pipe Material (a)	Main Function (b)	Diameter in Inches (c)	First of Year (d)	Added During Year (e)	Retired During Year (f)	Adjustments Increase or (Decrease) (g)	End of Year (h)	
P	D	6.000	21,503	0	0	0	21,503	1
P	D	8.000	4,575	0	0	0	4,575	2
Total Within Municipality			26,078	0	0	0	26,078	
Total Utility			26,078	0	0	0	26,078	

WATER SERVICES

1. Explain all reported adjustments as a schedule footnote.
2. Report in column (h) the number of utility-owned services included in columns (c) through (g) which are temporarily shut off at the curb box or otherwise not in use at end of year.
3. For services added during the year in column (d), as a schedule footnote:
 - a. Explain how the additions were financed.
 - b. If assessed against property owners, explain the basis of the assessments.
 - c. If installed by a property owner or developer, explain the basis of recording the cost of the additions, the total amount and the number of services recorded under this method.
 - d. If any were financed by application of Cz-1, provide the total amount recorded and the number of services recorded under this method.
4. Report services separately by pipe material and diameter.
5. Identify pipe material as: L (Lead), M (Metal for all other metal excluding lead), A (Asbestos-cement) or P (Plastic for plastic and all other non-metal excluding asbestos-cement).

Pipe Material (a)	Diameter in Inches (b)	First of Year (c)	Added During Year (d)	Removed or Permanently Disconnected During Year (e)	Adjustments Increase or (Decrease) (f)	End of Year (g)	Utility Owned Services Not In Use at End of Year (h)	
M	0.750	232	0	0	0	232	56	1
M	1.500	4	0	0	0	4		2
M	4.000	1	0	0	0	1		3
Total Utility		237	0	0	0	237	56	

METERS

1. Include in Columns (b), (c), (d), (e) and (f) meters in stock as well as those in service.
2. Report in Column (c) all meters purchased during the year and in Column (d) all meters junked, sold or otherwise permanently retired during the year.
3. Use Column (e) to show correction to previously reported meter count because of inventory or property record corrections.
4. Totals by size in Column (f) should equal same size totals in Column (o).
5. Explain all reported adjustments as a schedule footnote.

Number of Utility-Owned Meters

Size of Meter (a)	First of Year (b)	Added During Year (c)	Retired During Year (d)	Adjustments Increase or (Decrease) (e)	End of Year (f)	Tested During Year (g)	
0.625	197	0	0	0	197	40	1
1.000	5	0	0	0	5	4	2
2.000	1	0	0	0	1	1	3
Total:	203	0	0	0	203	45	

Classification of All Meters at End of Year by Customers

Size of Meter (h)	Residential (i)	Commercial (j)	Industrial (k)	Public Authority (l)	Wholesale, Inter-Department or Utility Use (m)	In Stock and Deduct Meters (n)	Total (o)	
0.625	162	12	0	4	0	19	197	1
1.000	2	0	1	1	0	1	5	2
2.000	0	0	0	1	0	0	1	3
Total:	164	12	1	6	0	20	203	

HYDRANTS AND DISTRIBUTION SYSTEM VALVES

1. Distinguish between fire and flushing hydrants by lead size.
 - a. Fire hydrants normally have a lead size of 6 inches or greater.
 - b. Record as a flushing hydrant where the lead size is less than 6 inches or if pressure is inadequate to provide fire flow.
2. Explain all reported adjustments in the schedule footnotes.
3. Report fire hydrants as within or outside the municipal boundaries.

Hydrant Type (a)	Number In Service First of Year (b)	Added During Year (c)	Removed During Year (d)	Adjustments Increase or (Decrease) (e)	Number In Service End of Year (f)	
Fire Hydrants						
Outside of Municipality	0				0	1
Within Municipality	50				50	2
Total Fire Hydrants	50	0	0	0	50	
Flushing Hydrants						
	0				0	3
Total Flushing Hydrants	0	0	0	0	0	

NR811.08(5) recommends that a schedule shall be adopted and followed for operating each system valve and hydrant at least once each two years. Please provide the number operated during the year.

Number of hydrants operated during year:	50
Number of distribution system valves end of year:	95
Number of distribution valves operated during year:	95

WATER OPERATING SECTION FOOTNOTES

Other Operating Revenues (Water) (Page W-04)

Please explain amounts in Account 474 in excess of \$2,000, including like items grouped. Please provide, for example, a short list or detail using other than terms such as "other revenues" "general" "miscellaneous" or repeating the account title.

Done.

Water Operation & Maintenance Expenses (Page W-05)

If Fuel or Power Purchased for Pumping (620), divided by the Total kWh Used for Pumping on the Source of Supply, Pumping and Purchased Water Statistics schedule, is less than 3 cents or greater than 12 cents, please explain.

Based on actual invoices.

For values that represent an increase or a decrease when compared to the previous year of greater than 30%, but not less \$2,000, please explain.

Line 5 - Maintenance on water meter reading equipment.

Meters (Page W-19)

Ss. PSC 185.83(2) states "Station meters shall be maintained to ensure reasonable accuracy and shall have the accuracy checked at least once every 2 years." Are all station meters being tested every two years? Answer yes or no. If no, please explain.

Yes, as time and funds are available.
